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PROVIDER BULLETIN

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THIS ISSUE

Implementation of the Preferred Drug List

TO:

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Purpose

This bulletin announces the implementation of the Preferred Drug List (PDL) and therapeutic interchange program on May 3, 2004. It describes the changes and requirements of the Evidence Based Prescription Drug Program as it relates to Workers' Compensation benefits. The PDL pertains only to workers covered by the State Fund and supplements Provider Bulletin 04-02. The therapeutic interchange program does not apply to out-of-state pharmacists, physicians, and other prescribers.

Background

The Evidence Based Prescription Drug Program was created by Senate Bill 6088, which directs agencies administering health care programs to cooperatively take actions to control costs without reducing the quality of care when purchasing prescription drugs.

Senate Bill (SB) 6088 (Chapter 29, Laws of 2003) requires:

- The development of an evidence-based PDL,
- A Washington State Pharmacy and Therapeutic (P&T) Committee to develop and maintain the PDL, and
- The implementation of an endorsing practitioner and a therapeutic interchange process.

In response to SB 6088, Health Care Authority (HCA), Department of Labor & Industries (L&I), and Department of Social & Health Services, Medical Assistance Administration (DSHS MAA) have established a statewide evidence-based PDL, P&T Committee, and will implement the endorsing practitioner and therapeutic interchange program (TIP) on May 3, 2004.

What drug classes on the PDL pertain to Workers' Compensation?

Each agency will use the single statewide evidence-based PDL according to its benefit structure. The state's PDL currently consists of twelve drug classes but only five classes pertain to worker's compensation benefits. By January 1, 2006, the PDL is expected to cover approximately 25 drug classes.

The five drug classes that pertain to workers' compensation are long-acting opioids, skeletal muscle relaxants, non-steroidal anti-inflammatory drugs including COX-II inhibitors, proton pump inhibitors, and anticholinergic antispasmodic agents.

The only drugs subject to the therapeutic interchange program are those within the drug classes that have been reviewed by the P&T Committee and are on the PDL, except for Schedule II long acting opioids. Schedule II long acting opioids are not subject to this interchange program due to federal regulations.

Class Code	Class Description	Preferred Drugs or Agents	
Biliary System/Gastro-Intestinal System			
D4K	PROTON PUMP INHIBITORS	OMEPRAZOLE, OTC	
Nervous System (except autonomic)			
H3A	LONG ACTING OPIOIDS	METHADONE MORPHINE, LONG-ACTING	
H6H	SKELETAL MUSCLE RELAXANTS	BACLOFEN CHLORZOXAZONE	CYCLOBENZAPRINE METHOCARBAMOL
Kidney/Urinary Tract			
R1A	URINARY TRACT ANTISPASMODIC/ ANTIINCONTINENCE AGENT	OXYBUTYNIN	
S2B	NSAIDS, CYCLOOXYGENASE INHIBITOR - TYPE	DICLOFENAC ETODOLAC FENOPROFEN FLURBIPROFEN IBUPROFEN INDOMETHACIN KETOPROFEN KETOROLAC	MECLOFENAMATE NABUMETONE NAPROXEN PIROXICAM OXAPROZIN SULINDAC TOLMETIN

How does the Endorsing Practitioners and Therapeutic Interchange Program work?

In addition to the PDL, the law requires the agencies to develop a process that allows physicians and other prescribers to endorse the state's PDL and requires pharmacists to interchange the preferred drug for a non-preferred drug prescribed by endorsing practitioners. Therapeutic interchange will not occur when the prescription is a refill of an anti-psychotic, anti-depressant, chemotherapy, anti-retroviral, or immunosuppressive drug as exempted by state law. The following definitions may help readers understand the changes associated with implementation of SB 6088:

- **Endorsing Practitioner** - A practitioner who has reviewed the PDL and has notified the Health Care Authority that he or she has agreed to allow therapeutic interchange of a preferred drug for any non-preferred drug in a given therapeutic class.
- **Refill** - The continuation of therapy with the same drug (including the renewal of a previous prescription or adjustments in dosage) when a prescription is for an anti-psychotic, anti-depressant, chemotherapy, anti-retroviral, or immunosuppressive drug.
- **Therapeutic Alternative** - Drug products of different chemical structure within the same pharmacologic or therapeutic class that are expected to have similar therapeutic effects and safety profile when administered in therapeutically equivalent doses.
- **Therapeutic Interchange** - To dispense with the endorsing practitioner's authorization, a therapeutic alternative to the prescribed drug.

Endorsing Practitioners

When an endorsing practitioner writes a prescription for a non-preferred drug in a drug class on the PDL and allows substitution, the pharmacist will automatically interchange a preferred drug for the

non-preferred drug within that drug class. When a therapeutic interchange is made, the pharmacist will notify the endorsing practitioner of the specific drug and dose dispensed to the injured worker.

If an endorsing practitioner wishes to prescribe a non-preferred drug from one of the PDL classes, he or she will indicate “dispense as written” (DAW) on the prescription and the **non-preferred drug will be filled by the pharmacist without the need to call the department for authorization.**

Due to federal regulations, therapeutic interchange cannot take place when the prescription is for a non-preferred Schedule II long acting opioid. In a situation where the endorsing practitioner has indicated, “substitution permitted ” for a non-preferred Schedule II long acting opioid, a new prescription for the preferred long acting opioid is needed. If an endorser indicates DAW for a non-preferred Schedule II long acting opioid, the department will honor the prescription.

DURAGESIC is not part of workers’ compensation benefit and will not be routinely covered (see PB 00-04 “Please note the following regarding coverage for prescriptions of injectable/parenteral opioids” and WAC 296-20-03014 (2)).

Non-Endorsing Practitioners

If a provider is a “non-endorsing practitioner” and he or she prescribes a non-preferred drug, the **non-preferred drug will require prior authorization from the department.**

Becoming an Endorsing Practitioner

There are two ways a prescriber can become an endorsing practitioner:

- 1) Register online at www.rx.wa.gov or
- 2) Fill out and return a registration form available at the above website or by calling Benefit Control Methods.

If you have questions about the registration process, please call Benefit Control Methods at 1-866-381-7879 or 1-866-381-7880.

What happens to the remainder of the drug classes?

Express Scripts has been contracted to provide a national formulary to complete the remaining drug classes that are part of the department’s allowed benefit but are not currently on the PDL. As the P&T Committee reviews new drug classes, it is anticipated that the national formulary will only be used when necessary.

Prescriptions for non-formulary drugs in drug classes not yet reviewed by the P&T Committee will require prior authorization from all practitioners.

For a complete, up-to-date listing of medications on the Outpatient Drug Formulary, you can visit the L&I website at www.lni.wa.gov/ClaimsInsurance/Files/Providers/DrugFormulary.pdf or contact the Provider Hotline at 1-800-848-0811. The formulary may change from time to time to reflect the P&T Committee’s recommendations or administrative changes.

What is new about the department's billing process?

Prescriber ID

Effective May 3, 2004, the department's on-line point-of-service (POS) system will now accept the following in the prescriber ID field using the NCPDP 3B or 5.1 formats:

- A provider's Washington State license number,
- DEA number, or
- L&I provider number.

Pharmacy providers should remember to enter the appropriate valid values for the Prescriber ID Qualifier associated with the Prescriber ID number when using NCPDP 5.1 format. See below for added values:

Prescriber Segment - Required			
Field Name	Data Element Number	Required Status	Valid Values/Comments
PREScriBER ID QUALIFIER	466-EZ	Required	Valid Values: 08 [State License] 12 [Drug Enforcement Administration (DEA)] 13 [State Issued]
PREScriBER ID	411-DB	Required	[08] – Enter 10-digit Washington State License Number [12] – Enter 9-digit Federal DEA Number [13] – Enter 7-digit L&I Provider ID Number

For prescribers without L&I provider numbers, pharmacy providers must enter the prescriber's Washington State license number in the Prescriber ID field in order for the department to identify their endorsement status. The department will now also validate the Prescriber ID field for providers with prescriptive authority.

Dispense as Written (DAW)

When an endorsing practitioner indicates, "dispense as written" (DAW) on the prescription for a non-preferred drug and therapeutic interchange cannot be performed, the pharmacist must enter a value of one (1) in the DAW field.

If a pharmacy receives a prescription for a non-preferred drug after normal business hours, during weekends or Washington state holidays, when authorization cannot be obtained, the pharmacist may dispense an emergency supply of the drug by entering a value of six (6) in the DAW field. The department considers an emergency supply to typically be 72 hours for most drugs or up to 10 days for most antibiotics, depending on the pharmacist's judgment. An authorization request must be made to the department before further coverage is provided for the non-preferred drug. See the following chart for added values.

Claim Segment - Required			
Field Name	Data Element Number	Required Status	Valid Values/Comments
DISPENSE AS WRITTEN (DAW)/PRODUCT SELECTION CODE	408-D8	Conditional	Valid Values: Ø=No Product Selection Indicated 1=Substitution Not Allowed by Prescriber 6=Override for Emergency Supply -This value is used only by in-state pharmacies when dispensing an emergency supply of a non-preferred drug prescribed by a non-endorsing practitioner

Transaction (Secondary) Messages

The department's POS system will be using NCPDP Reject Code 70 (product not covered) for transactions with non-preferred drugs. POS will also be sending a secondary message when the non-preferred drug is part of the endorsing practitioner and therapeutic interchange program ("TIP Preferred:") or when there are alternatives to the non-preferred drug.

Who do I call for a prior authorization request relating to the PDL?

Please contact the Preferred Drug List Hotline at 360-902-4321 Monday through Friday from 8:00 AM to 5:00 PM PST for prior authorization requests for non-preferred drugs on the PDL. The department will notify providers when a 1-800 number becomes available.

Where can I find additional information about the department's rules relating to the evidence-based prescription drug program?

WAC 296-20-01002 Definitions

WAC 296-20-02704 What criteria does the director or director's designee use to make medical coverage decisions?

WAC 296-20-02705 What are treatment and diagnostic guidelines and how are they related to medical coverage decisions?

WAC 296-20-03011 What general limitations are in place for medications?

WAC 296-20-03012 Where can I find the department's outpatient drug and medication coverage decisions?